

Barclays PLC Pillar 3

30 June 2016

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Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements or guidance regarding the Group's future financial position, income growth, assets, impairment charges, provisions, notable items, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the strategic cost programme and the Group Strategy Update, rundown of assets and businesses within Barclays Non-Core, sell down of the Group's interest in Barclays Africa Group Limited, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, future levels of notable items, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the results of the June 23, 2016 referendum in the United Kingdom and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union; the implementation of the strategic cost programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our annual report on form 20-F for the fiscal year ended 31 December 2015), which are available on the SEC's website at www.sec.gov.

Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Summary

This report complements the Barclays Q2 Interim Results, available from home.barclays/results. It provides disclosures on Barclays' regulatory capital adequacy. It has been prepared in accordance with the EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency under Articles 432(1), 432(2) and 433 of Regulation (EU) No 575/2013 (EBA/GL/2014/14).

These guidelines clarify the requirements for more frequent disclosure of material items covered by the Capital Requirements Regulation ('CRR') (EU) 575/2013. In particular, Part 8 (articles 431 to 455) also known as the Pillar 3 framework requirements.

Regulatory capital

Table 1: Regulatory capital

This table shows the components of regulatory capital presented on both a transitional and fully loaded basis as at 30 June 2016.

This disclosure has been prepared using the format set out in Annex IV and Annex VI of the final 'Implementing technical standards with regard to disclosure of own funds requirements for institution' (Commission implementing regulation - EU 1423/2013).

Common Equity Tier 1 (CET1) capital: instruments and reserves			
	30.06.16	Transitional	30.06.16
	Transitional	Transitional	Fully loaded
	position	impacts	position
	£m	£m	£m
1	Capital instruments and the related share premium accounts	21,763	21,763
	<i>of which: ordinary shares</i>	21,763	21,763
2	Retained earnings	30,082	30,082
3	Accumulated other comprehensive income (and other reserves)	5,695	5,695
5	Minority interests (amount allowed in consolidated CET1)	1,501	1,501
5a	Independently reviewed interim net profits net of any foreseeable charge or dividend ¹	(297)	(297)
	Scope of consolidation adjustment	(121)	(121)
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	58,623	58,623
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments	(2,092)	(2,092)
8	Intangible assets (net of related tax liability)	(8,552)	(8,552)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(670)	(670)
11	Fair value reserves related to gains or losses on cash flow hedges	(3,046)	(3,046)
12	Negative amounts resulting from the calculation of expected losses amounts	(1,475)	(1,475)
14	Gains or losses on liabilities at fair value resulting from changes in own credit standing	(177)	(177)
15	Defined-benefit pension fund assets	(204)	(204)
16	Direct and indirect holdings by an institution of own CET1 instruments	(50)	(50)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(16,266)	(16,266)
29	Common Equity Tier 1 (CET1) capital	42,357	42,357
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	5,314	5,314
31	<i>of which: classified as equity under IFRS</i>	5,314	5,314
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests) issued by subsidiaries and held by third parties	5,885	405
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	5,943	-
36	Additional Tier 1 (AT1) capital before regulatory adjustments	11,199	5,719
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments	(130)	(130)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(130)	(130)
44	Additional Tier 1 (AT1) capital	11,069	5,589
45	Tier 1 capital (T1 = CET1 + AT1)	53,426	47,946

Notes

¹ Adjustment to retained earnings for foreseeable dividends only

Regulatory capital

Table 1 (continued)

	30.06.16 Transitional position £m	Transitional impacts £m	30.06.16 Fully loaded position £m
Tier 2 (T2) capital: instruments and provisions			
46	2,890	-	2,890
48	12,366	1,457	13,823
49	1,661	(1,661)	-
51	15,256	1,457	16,713
Tier 2 (T2) capital: regulatory adjustments			
52	(250)	-	(250)
55	(4)	-	(4)
57	(254)	-	(254)
58	15,002	1,457	16,459
59	68,428	(4,023)	64,405
60	366,268	-	366,268
Capital ratios and buffers			
61	11.6%		11.6%
62	14.6%		13.1%
63	18.7%		17.6%
68	7.6%		7.1%
Amounts below the thresholds for deduction (before risk weighting)			
72	2,430	-	2,430
73	504	-	504
75	4,214	-	4,214
Applicable caps on the inclusion of provisions in Tier 2			
77	1,051	-	1,051
79	1,139	-	1,139
Capital instruments subject to phase out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
82	5,757	-	-
83	186	-	-
84	2,126	-	-

Further details on the terms of each instrument included in capital can be found online at home.barclays/results. The online disclosure has been prepared using the format set out in Annex II of the final 'Implementing technical standards with regard to disclosure of own funds requirements for institutions' (Commission implementing regulation - EU1423/2013).

Leverage

Table 2: Summary reconciliation of accounting assets and leverage ratio exposures

This table shows the components of leverage ratio presented on a fully loaded basis as at 30 June 2016.

This disclosure has been prepared using the format set out in Annex I and Annex II of the final 'Implementing technical standards with regard to disclosure of the leverage ratio for institutions, (Commission implementing regulation - EU 2016/200).

	As at 30.06.16 £bn
1 Total assets as per published financial statements	1,351
2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(10)
4 Adjustments for derivative financial instruments	(305)
5 Adjustments for securities financing transactions "SFTs"	18
6 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	117
7 Other adjustments	(16)
8 Total leverage ratio exposure	1,155

Leverage

Table 3: Common disclosure

		As at 30.06.16 £bn
On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	739
2	(Asset amounts deducted in determining Tier 1 capital)	(16)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	723
Derivative exposures		
4	Replacement cost associated with <i>all</i> derivatives transactions (ie net of eligible cash variation margin)	89
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions (mark-to-market method)	142
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(46)
8	(Exempted CCP leg of client-cleared trade exposures)	(0)
9	Adjusted effective notional amount of written credit derivatives	411
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(392)
11	Total derivative exposures (sum of lines 4 to 10)	204
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	248
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(155)
14	Counterparty credit risk exposure for SFT assets	18
16	Total securities financing transaction exposures (sum of lines 12 to 15a)	111
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	339
18	(Adjustments for conversion to credit equivalent amounts)	(222)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	117
Capital and total exposures		
20	Tier 1 capital	48
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,155
Leverage ratio		
22	Leverage ratio	4.2%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Fully phased in

Leverage

Table 4: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		As at 30.06.16 £bn
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	739
EU-2	Trading book exposures	130
EU-3	Banking book exposures, of which:	609
EU-4	<i>Covered bonds</i>	-
EU-5	<i>Exposures treated as sovereigns</i>	156
EU-6	<i>Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns</i>	9
EU-7	<i>Institutions</i>	45
EU-8	<i>Secured by mortgages of immovable properties</i>	161
EU-9	<i>Retail exposures</i>	63
EU-10	<i>Corporate</i>	139
EU-11	<i>Exposures in default</i>	7
EU-12	<i>Other exposures (eg equity, securitisations, and other non-credit obligation assets)</i>	29

Barclays manages the risk of excessive leverage through the Group's Capital Management strategy which is outlined in the Annual Report. Barclays' leverage exposure is continually monitored against internal targets, which are approved by the Group Executive Committee and take into consideration the risk appetite, growth and strategic aims of the Group. Additionally, agreed leverage exposure limits are regularly monitored against early warning indicators which trigger actions to mitigate risk. The Group's leverage exposure is also subject to regular internal and external stress testing.

During H116, the leverage ratio decreased to 4.2% (December 2015: 4.5%) primarily driven by an increase in the leverage exposure of £127bn to £1,155bn partially offset by a £1.8bn increase in fully loaded Tier 1 capital to £47.9bn (December 2015: £46.2bn):

- Loans and advances and other assets increased by £93bn to £718bn. The increase was primarily driven by a £27bn increase in cash and balances at central banks due to an increase in the cash contribution to the Group liquidity pool in preparation to the EU referendum, a £26bn increase in settlement balances following increased client activity, lending growth of £14bn within Barclays Corporate & International and a £8bn increase in Africa banking assets held for sale reflecting the appreciation of ZAR against GBP
- Reverse repurchase agreements increased £15bn to £93bn, reflecting an increase in matched book trading
- Net derivative leverage exposure, excluding net written credit protection and Potential Future Exposure (PFE) on derivatives, increased by £7bn to £58bn primarily due to an increase in IFRS derivatives driven by an increase in interest rate derivatives and foreign exchange derivatives, reflecting a decrease in the major forward interest rates and appreciation of major currencies against GBP
- PFE on derivatives increased by £13bn to £142bn primarily driven by appreciation of major currencies against GBP, partially offset by compression activity, sale of positions and maturity of trades
- Weighted off balance sheet commitments increased by £6bn to £117bn primarily driven by the appreciation of major currencies against GBP

Risk weighted assets

Table 5: Risk weighted assets (RWAs) of credit risk exposures by business units

This table shows RWAs for credit risk by business, broken down by exposure class.

The comparatives below have been restated to reflect the impact of the Group's business reorganisation outlined in our announcement on 14 April 2016, accessible at home.barclays/results

Risk weighted assets credit exposure class	Barclays Corporate and International		Head Office and Other Operations	Total Core	Barclays Non-Core	Total
As at 30.06.16	Barclays UK £m	International £m	£m	£m	£m	£m
Credit risk						
Standardised approach						
Central governments or central banks	-	2	1,650	1,652	1,012	2,664
Regional governments or local authorities	-	24	-	24	-	24
Public sector entities	-	35	115	150	55	205
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	352	1,214	172	1,738	226	1,964
Corporates	609	26,050	3,097	29,756	2,098	31,854
Retail	1,388	17,864	1,490	20,742	949	21,691
Secured by mortgages	2,549	2,673	137	5,359	378	5,737
Exposures in default	577	1,747	187	2,511	543	3,054
Items associated with high risks	50	639	338	1,027	1,551	2,578
Covered bonds	7	27	-	34	38	72
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	1	1
Equity positions	-	55	611	666	477	1,143
Other items	263	277	241	781	7	788
Total Standardised approach credit risk exposure	5,795	50,607	8,038	64,440	7,335	71,775
Advanced IRB approach						
Central governments or central banks	480	1,031	1,605	3,116	182	3,298
Institutions	419	3,527	496	4,442	2,881	7,323
Corporates	3,662	62,800	9,253	75,715	2,011	77,726
Retail						
- Small and medium-sized enterprises (SMEs)	3,193	51	689	3,933	-	3,933
- Secured by real estate collateral	16,030	-	3,404	19,434	3,967	23,401
- Qualifying revolving retail	16,698	1,375	1,558	19,631	435	20,066
- Other retail	6,264	-	3,023	9,287	-	9,287
Equity	-	-	-	-	-	-
Securitisation positions	-	1,799	64	1,863	397	2,260
Non-credit obligation assets	1,910	11,636	2,862	16,408	940	17,348
Total Advanced IRB credit risk exposure	48,656	82,219	22,954	153,829	10,813	164,642
Total credit risk weighted assets	54,451	132,826	30,992	218,269	18,148	236,417

Risk weighted assets

Table 5 (continued)

Risk weighted assets credit exposure class

As at 31.12.15	Barclays Corporate and International		Head Office and Other Operations	Total Core	Barclays Non-Core	Total
	Barclays UK	International				
	£m	£m	£m	£m	£m	£m
Credit risk						
Standardised approach						
Central governments or central banks	6	9	1,305	1,320	1,189	2,509
Regional governments or local authorities	-	111	-	111	10	121
Public sector entities	-	40	-	40	5	45
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	127	1,178	497	1,802	188	1,990
Corporates	1,352	24,370	3,000	28,722	2,489	31,211
Retail	1,563	15,770	1,530	18,863	965	19,828
Secured by mortgages	2,757	2,269	115	5,141	573	5,714
Exposures in default	570	1,441	163	2,174	626	2,800
Items associated with high risks	-	363	875	1,238	2,101	3,339
Covered bonds	26	94	87	207	35	242
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	1	1	-	1
Equity positions	-	150	497	647	514	1,161
Other items	161	97	221	479	9	488
Total Standardised approach credit risk exposure	6,562	45,892	8,291	60,745	8,704	69,449
Advanced IRB approach						
Central governments or central banks	235	622	1,659	2,516	132	2,648
Institutions	262	3,717	740	4,719	2,377	7,096
Corporates	4,111	58,754	7,464	70,329	2,597	72,926
Retail						
- Small and medium-sized enterprises (SMEs)	2,998	2	609	3,609	-	3,609
- Secured by real estate collateral	19,399	-	3,018	22,417	4,606	27,023
- Qualifying revolving retail	15,842	1,141	1,433	18,416	350	18,766
- Other retail	6,161	-	2,496	8,657	1	8,658
Equity	-	-	-	-	-	-
Securitisation positions	-	1,720	67	1,787	1,354	3,141
Non-credit obligation assets	1,755	11,319	2,670	15,744	1,380	17,124
Total Advanced IRB credit risk exposure	50,763	77,275	20,156	148,194	12,797	160,991
Total credit risk weighted assets	57,325	123,167	28,447	208,939	21,501	230,440

RWAs increased by £6.0bn to £236.4bn. The key movements by business were as follows:

- **Barclays UK:** RWAs decreased by £2.8bn to £54.5bn, driven by credit risk model changes following approval from the Prudential Regulation Authority (PRA)
- **Barclays Corporate and International:** RWAs increased by £9.6bn to £132.8bn, driven by the appreciation of USD and EUR against GBP
- **Head Office:** RWAs increased by £2.6bn to £31.0bn, driven by the appreciation of ZAR against GBP
- **Barclays Non-Core:** RWAs decreased by £3.4bn to £18.1bn, driven by disposals, including the sale of the Portuguese business

Risk weighted assets

Table 6: Risk weighted assets of counterparty credit risk exposures by business units

This table shows RWAs for counterparty credit risk by business, broken down by exposure class.

Risk weighted assets counterparty credit exposure						
	Barclays UK	Barclays Corporate and International	Head Office and Other Operations	Total Core	Barclays Non-Core	Total
As at 30.06.16	£m	£m	£m	£m		£m
Counterparty credit risk exposure class						
Standardised approach						
Central governments or central banks	-	-	-	-	-	-
Regional governments or local authorities	-	1	-	1	-	1
Public sector entities	-	27	-	27	227	254
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	10	429	24	463	50	513
Corporates	-	8,497	9	8,506	1,297	9,803
Retail	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Items associated with high risk	-	1,881	-	1,881	18	1,899
Covered bonds	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity positions	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total Standardised approach credit risk exposure	10	10,835	33	10,878	1,592	12,470
Advanced IRB approach						
Central governments or central banks	-	667	13	680	2,180	2,860
Institutions	-	3,482	249	3,731	1,523	5,254
Corporates	-	10,233	657	10,890	5,712	16,602
Securitisation positions	-	19	-	19	382	401
Total Advanced IRB credit risk exposure	-	14,401	919	15,320	9,797	25,117
Default fund contributions	-	976	16	992	320	1,312
Total counterparty credit risk	10	26,212	968	27,190	11,709	38,899

Risk weighted assets

Table 6 (Continued)

Risk weighted assets counterparty credit exposure

	Barclays UK	Barclays Corporate and International	Head Office and Other Operations	Total Core	Barclays Non-Core	Total
	£m	£m	£m	£m	£m	£m
As at 31.12.15						
Counterparty credit risk exposure class						
Standardised approach						
Central governments or central banks	-	2	-	2	-	2
Regional governments or local authorities	-	5	-	5	-	5
Public sector entities	-	14	-	14	129	143
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	-	414	33	447	23	470
Corporates	26	6,522	9	6,557	1,254	7,811
Retail	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Items associated with high risk	-	3,106	-	3,106	72	3,178
Covered bonds	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity positions	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total Standardised approach credit risk exposure	26	10,063	42	10,131	1,478	11,609
Advanced IRB approach						
Central governments or central banks	-	413	15	428	1,493	1,921
Institutions	-	2,459	268	2,727	1,733	4,460
Corporates	-	8,163	263	8,426	5,796	14,222
Securitisation positions	-	20	-	20	408	428
Total Advanced IRB credit risk exposure	-	11,055	546	11,601	9,430	21,031
Default fund contributions	-	916	12	928	176	1,104
Total counterparty credit risk	26	22,034	600	22,660	11,084	33,744

RWAs increased by £5.2bn to £38.9bn. The key movements by business were as follows:

- **Barclays Corporate and International:** RWAs increased by £4.2bn to £26.2bn, driven by increases in the fair value of derivative exposures as well as increased trading activity
- **Barclays Non-Core:** RWAs increased by £0.6bn to £11.7bn, driven by increases in the fair value of derivative exposures

Credit quality analysis of IRB exposures

Credit quality analysis of IRB exposures

The following section provides breakdowns of inputs into risk weighted asset calculations. Please note that risk weights and risk factors may be volatile in granular breakdowns of wholesale exposures, especially in categories that are more sparsely populated. This is often due to the addition or removal of a relatively large exposure to or from narrow categories when its risk factors are different to the category average. This happens in the normal course of business, for instance, following new lending, repayments, or syndications.

Table 7: Internal default grade probabilities and mapping to external ratings

The table below shows an indicative relationship between external rating agency grades and our own internal scale for default grade bands (DG bands) for wholesale exposures. Note that this relationship is dynamic, and, therefore, varies over time, region and industry. Specifically, the table below is intended to provide a broad indication of the current mapping between external agency ratings and through-the-cycle internal DG ratings for a generic non-financial corporate in our main markets. For example, agency ratings for commercial banks generally correspond to less favourable DG ratings in comparison. Barclays DG system follows estimation rules and governance that may differ from those of ratings agencies.

DG Band	Default Probability			Financial statements description	Standard and Poor's	Moody's
	>Min	Mid	<=Max			
1	0.00%	0.01%	0.02%	Strong	AAA, AA+, AA	Aaa, Aa1, Aa2
2	0.02%	0.03%	0.03%		AA-	A1
3	0.03%	0.04%	0.05%		A+	A2
4	0.05%	0.08%	0.10%		A, A-	A3, Baa1
5	0.10%	0.13%	0.15%		BBB+	Baa2
6	0.15%	0.18%	0.20%		BBB	Baa3
7	0.20%	0.23%	0.25%		BBB-	
8	0.25%	0.28%	0.30%			Ba1
9	0.30%	0.35%	0.40%		BB+	
10	0.40%	0.45%	0.50%			
11	0.50%	0.55%	0.60%		Ba2	
12	0.60%	0.90%	1.20%	Satisfactory	BB, BB-	Ba3
13	1.20%	1.38%	1.55%			B1
14	1.55%	1.85%	2.15%		B+	
15	2.15%	2.60%	3.05%			B2
16	3.05%	3.75%	4.45%		B	
17	4.45%	5.40%	6.35%			B3
18	6.35%	7.50%	8.65%		B-	Caa1
19	8.65%	10.00%	11.35%			
20	11.35%	15.00%	18.65%		Higher risk	CCC+
21	18.65%	30.00%	100.00%	CCC, CCC-, CC+, C		

IRB wholesale obligor grade disclosure

The following tables show credit risk and counterparty credit risk exposure at default post-CRM for the advanced IRB approach and foundation IRB approach for wholesale portfolios within both the trading and banking books. Separate tables are provided for the following credit exposure classes: central governments and central banks (Table 8), institutions (Table 9), corporates (Table 10), corporates subject to slotting (Table 11), SME (Table 12), secured retail (Table 13), revolving retail (Table 14) and other retail (Table 15). Barclays does not use foundation IRB approach.

Barclays' Model Risk Management group reviews and approves the application of post model adjustments to models that do not fully reflect the risk of the underlying exposures.

Credit quality analysis of IRB exposures

Table 8: IRB wholesale obligor grade disclosure for central governments and central banks

Obligor grade disclosure for advanced IRB

	Exposure value			Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
	Total	Of which: arising from counterparty credit risk	Average exposure value £m						
	£m	£m	£m						
As at 30.06.16									
DG1: 0.00-0.02%	8,769	6,397	9,224	504	0.0%	45.0%	463	5.3%	-
DG2: 0.02-0.03%	112	112	152	-	0.0%	45.0%	18	16.1%	-
DG3: 0.03-0.05%	2,409	1,607	3,370	16	0.0%	46.5%	223	9.2%	-
DG4: 0.05-0.10%	11,013	4,621	6,531	730	0.1%	47.8%	3,027	27.5%	5
DG5: 0.10-0.15%	3,815	16	4,420	8	0.1%	45.0%	1,559	40.9%	2
DG6: 0.15-0.20%	415	3	1,115	-	0.2%	45.0%	192	46.2%	-
DG7: 0.20-0.25%	403	24	454	-	0.2%	8.9%	34	8.5%	-
DG8: 0.25-0.30%	268	-	279	-	0.3%	45.0%	210	78.5%	-
DG9: 0.30-0.40%	464	77	380	-	0.4%	46.6%	269	57.9%	1
DG10: 0.40-0.50%	-	-	25	-	-	-	-	-	-
DG11: 0.50-0.60%	1	1	11	-	0.6%	58.0%	1	134.3%	-
DG12: 0.60-1.20%	14	13	47	-	0.7%	45.7%	7	49.9%	-
DG13: 1.20-1.55%	78	78	35	-	1.2%	45.0%	117	149.6%	1
DG14: 1.55-2.15%	-	-	-	-	-	-	-	-	-
DG15: 2.15-3.05%	-	-	-	-	-	-	-	-	-
DG16: 3.05-4.45%	-	-	-	-	-	-	-	-	-
DG17: 4.45-6.35%	20	-	19	-	5.4%	45.0%	38	192.0%	-
DG18: 6.35-8.65%	-	-	-	-	-	-	-	-	-
DG19: 8.65-11.35%	-	-	-	-	-	-	-	-	-
DG20: 11.35-18.65%	-	-	-	-	-	-	-	-	-
DG21: 18.65-100%	-	-	-	-	-	-	-	-	-
In default	-	-	-	-	-	-	-	-	-
Total	27,781	12,949	26,062	1,258	0.1%	45.8%	6,158	22.2%	9
As at 31.12.15									
DG1: 0.00-0.02%	9,251	4,453	9,664	478	0.0%	45.0%	322	3.5%	-
DG2: 0.02-0.03%	203	118	262	-	0.0%	45.0%	22	10.9%	-
DG3: 0.03-0.05%	4,991	3,993	3,075	80	0.0%	45.9%	420	8.4%	1
DG4: 0.05-0.10%	4,639	287	6,628	730	0.1%	33.1%	490	10.6%	1
DG5: 0.10-0.15%	4,485	1,463	2,135	7	0.1%	45.0%	2,410	53.7%	3
DG6: 0.15-0.20%	549	73	1,617	-	0.2%	45.0%	292	53.2%	-
DG7: 0.20-0.25%	440	12	1,480	-	0.2%	7.0%	32	7.2%	-
DG8: 0.25-0.30%	425	32	125	-	0.3%	46.2%	306	72.0%	1
DG9: 0.30-0.40%	267	55	357	-	0.4%	45.7%	118	44.2%	-
DG10: 0.40-0.50%	63	63	46	-	0.5%	45.0%	37	59.1%	-
DG11: 0.50-0.60%	-	-	1	-	0.6%	53.0%	-	45.9%	-
DG12: 0.60-1.20%	4	3	51	-	0.7%	49.4%	3	73.5%	-
DG13: 1.20-1.55%	62	62	16	-	1.2%	45.0%	94	150.0%	-
DG14: 1.55-2.15%	-	-	-	-	1.9%	45.0%	-	76.7%	-
DG15: 2.15-3.05%	-	-	-	-	2.6%	60.4%	-	133.2%	-
DG16: 3.05-4.45%	-	-	-	-	0.0%	0.0%	-	0.0%	-
DG17: 4.45-6.35%	17	-	18	-	5.4%	45.1%	23	138.4%	-
DG18: 6.35-8.65%	-	-	-	-	7.5%	60.7%	-	212.4%	-
DG19: 8.65-11.35%	-	-	-	-	-	-	-	-	-
DG20: 11.35-18.65%	-	-	-	-	-	-	-	-	-
DG21: 18.65-100%	-	-	-	-	-	-	-	-	-
In default	-	-	-	-	-	-	-	-	-
Total	25,396	10,614	25,475	1,295	0.1%	42.4%	4,569	18.0%	6

The average risk weight associated with IRB exposure to central governments and central banks increased from 18.0% to 22.2%. This increase is primarily driven by migration of positions to higher default grades following external rating agency downgrades.

Credit quality analysis of IRB exposures

Table 9: IRB wholesale obligor grade disclosure for institutions

Obligor grade disclosure for advanced IRB									
	Exposure value		Average exposure value £m	Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
	Total £m	Of which: arising from counterparty credit risk £m							
As at 30.06.16									
DG1: 0.00-0.02%	275	191	297	186	0.0%	45.0%	27	9.9%	-
DG2: 0.02-0.03%	11,240	7,483	8,994	656	0.0%	39.0%	2,397	21.3%	3
DG3: 0.03-0.05%	22,856	3,659	19,373	1,912	0.0%	34.8%	4,386	19.2%	3
DG4: 0.05-0.10%	10,219	5,071	12,536	652	0.1%	43.3%	2,184	21.4%	3
DG5: 0.10-0.15%	2,345	647	1,741	82	0.1%	37.0%	747	31.8%	1
DG6: 0.15-0.20%	562	486	1,109	64	0.2%	45.6%	269	47.8%	1
DG7: 0.20-0.25%	97	63	625	4	0.2%	47.5%	50	51.2%	-
DG8: 0.25-0.30%	145	79	207	26	0.3%	48.6%	115	79.0%	-
DG9: 0.30-0.40%	412	191	351	15	0.3%	47.8%	241	58.5%	-
DG10: 0.40-0.50%	59	44	601	8	0.5%	49.4%	51	85.7%	-
DG11: 0.50-0.60%	131	32	152	41	0.5%	50.8%	110	83.8%	-
DG12: 0.60-1.20%	719	75	533	57	0.9%	43.6%	709	98.6%	3
DG13: 1.20-1.55%	223	28	117	7	1.4%	43.2%	118	52.8%	1
DG14: 1.55-2.15%	101	21	112	-	1.8%	43.0%	107	105.6%	1
DG15: 2.15-3.05%	125	4	92	37	2.6%	39.6%	160	127.9%	1
DG16: 3.05-4.45%	69	34	51	11	3.7%	42.1%	86	123.2%	1
DG17: 4.45-6.35%	291	9	147	19	5.5%	23.0%	273	93.9%	4
DG18: 6.35-8.65%	88	3	102	-	7.5%	43.5%	65	73.7%	1
DG19: 8.65-11.35%	8	5	7	-	10.7%	36.7%	16	203.9%	1
DG20: 11.35-18.65%	31	4	46	1	14.7%	72.9%	122	400.2%	3
DG21: 18.65-100%	23	-	12	3	30.0%	44.9%	63	279.3%	3
In default	195	-	63	22	100.0%	16.1%	281	144.0%	9
Total	50,214	18,129	47,268	3,803	0.5%	38.1%	12,577	25.0%	39
As at 31.12.15									
DG1: 0.00-0.02%	235	159	340	169	0.0%	45.0%	24	10.4%	-
DG2: 0.02-0.03%	6,515	4,578	7,387	179	0.0%	40.6%	1,378	21.2%	1
DG3: 0.03-0.05%	15,959	3,502	23,345	1,320	0.0%	44.1%	3,938	24.7%	3
DG4: 0.05-0.10%	13,336	4,039	11,377	735	0.1%	29.0%	2,174	16.3%	2
DG5: 0.10-0.15%	948	636	1,481	169	0.1%	47.2%	456	48.0%	1
DG6: 0.15-0.20%	1,872	336	830	336	0.2%	31.2%	749	40.0%	1
DG7: 0.20-0.25%	673	157	1,204	174	0.2%	47.0%	341	50.6%	1
DG8: 0.25-0.30%	143	85	315	33	0.3%	52.4%	90	62.9%	-
DG9: 0.30-0.40%	433	164	942	79	0.3%	47.6%	284	65.7%	1
DG10: 0.40-0.50%	1,034	103	675	42	0.5%	45.4%	757	73.2%	2
DG11: 0.50-0.60%	194	64	132	44	0.6%	51.6%	182	93.5%	1
DG12: 0.60-1.20%	348	36	185	90	0.9%	45.8%	439	126.4%	1
DG13: 1.20-1.55%	30	4	29	11	1.4%	46.3%	33	109.4%	-
DG14: 1.55-2.15%	164	55	91	5	1.8%	42.7%	165	100.4%	1
DG15: 2.15-3.05%	71	10	86	14	2.6%	36.5%	83	117.0%	1
DG16: 3.05-4.45%	43	16	38	8	3.6%	44.2%	67	154.0%	1
DG17: 4.45-6.35%	106	5	56	6	5.4%	44.3%	195	183.0%	2
DG18: 6.35-8.65%	19	1	9	1	7.5%	38.7%	34	182.3%	1
DG19: 8.65-11.35%	4	2	5	-	9.8%	38.0%	6	175.6%	-
DG20: 11.35-18.65%	36	24	53	-	13.3%	44.9%	101	277.3%	3
DG21: 18.65-100%	14	-	7	-	30.0%	35.8%	33	231.8%	2
In default	18	-	14	1	100.0%	30.4%	27	153.3%	3
Total	42,195	13,976	48,600	3,415	0.2%	38.4%	11,556	27.4%	28

The exposure weighted average risk weight associated with advanced IRB exposures to financial institutions decreased from 27.4% to 25.0%. The decrease is primarily due to migration of positions to lower default grades reflecting current external rating agency ratings.

Credit quality analysis of IRB exposures

Table 10: IRB wholesale obligor grade disclosure for corporates

The impact of the post model adjustments are reflected in the RWAs reported in this table, and not in the PDs, which, to be consistent, would be higher, particularly in lower quality default grades.

Obligor grade disclosure for advanced IRB

	Exposure value		Average exposure value £m	Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
	Total £m	Of which: arising from counterparty credit risk £m							
As at 30.06.2016									
DG1: 0.00-0.02%	117	117	245	-	0.0%	45.0%	22	18.4%	-
DG2: 0.02-0.03%	34,395	22,285	35,404	21,372	0.0%	43.4%	5,211	15.1%	5
DG3: 0.03-0.05%	33,146	12,257	32,805	19,793	0.0%	36.9%	5,976	18.0%	5
DG4: 0.05-0.10%	31,321	7,926	30,534	27,321	0.1%	40.8%	8,476	27.1%	9
DG5: 0.10-0.15%	16,510	3,308	15,430	11,810	0.1%	41.9%	5,752	34.8%	8
DG6: 0.15-0.20%	11,995	2,560	10,562	7,463	0.2%	41.1%	5,040	42.0%	9
DG7: 0.20-0.25%	7,820	1,443	7,556	4,290	0.2%	41.8%	3,977	50.9%	8
DG8: 0.25-0.30%	4,954	476	4,856	3,450	0.3%	41.6%	2,591	52.3%	6
DG9: 0.30-0.40%	6,121	529	5,666	3,836	0.3%	41.4%	3,611	59.0%	9
DG10: 0.40-0.50%	6,257	843	5,527	3,840	0.4%	41.4%	4,146	66.3%	12
DG11: 0.50-0.60%	5,136	302	4,948	3,463	0.6%	40.0%	3,623	70.6%	12
DG12: 0.60-1.20%	10,876	744	11,471	6,645	0.9%	37.6%	8,272	76.1%	35
DG13: 1.20-1.55%	4,676	457	3,989	2,886	1.4%	38.1%	3,964	84.8%	24
DG14: 1.55-2.15%	5,040	243	4,635	2,824	1.8%	31.6%	4,192	83.2%	30
DG15: 2.15-3.05%	5,169	346	4,757	3,223	2.5%	33.5%	4,679	90.5%	46
DG16: 3.05-4.45%	5,745	369	4,859	2,152	3.7%	26.2%	4,583	79.8%	56
DG17: 4.45-6.35%	2,859	169	2,877	1,298	5.4%	37.4%	3,487	122.0%	58
DG18: 6.35-8.65%	1,221	72	1,078	928	7.5%	33.7%	1,426	116.8%	29
DG19: 8.65-11.35%	533	54	477	163	9.8%	37.9%	765	143.5%	18
DG20: 11.35-18.65%	900	11	799	374	14.9%	30.9%	1,232	136.8%	40
DG21: 18.65-100%	555	41	664	168	30.6%	28.9%	778	140.1%	45
In default	2,496	27	1,913	716	100.0%	30.9%	3,881	155.5%	483
Total	197,842	54,579	191,052	128,015	2.0%	39.4%	85,684	43.3%	947
As at 31.12.15									
DG1: 0.00-0.02%	176	138	323	-	0.0%	40.1%	31	17.5%	-
DG2: 0.02-0.03%	34,999	18,009	27,055	26,965	0.0%	43.9%	5,337	15.2%	5
DG3: 0.03-0.05%	31,392	9,392	45,365	19,114	0.0%	36.2%	5,695	18.1%	6
DG4: 0.05-0.10%	29,484	7,059	29,932	24,601	0.1%	40.5%	7,417	25.2%	9
DG5: 0.10-0.15%	14,984	3,016	15,241	11,087	0.1%	41.9%	5,558	37.1%	8
DG6: 0.15-0.20%	10,060	2,230	9,230	6,566	0.2%	41.2%	4,447	44.2%	7
DG7: 0.20-0.25%	7,796	1,475	7,295	4,928	0.2%	44.6%	3,941	50.5%	8
DG8: 0.25-0.30%	4,559	382	5,091	3,841	0.3%	42.0%	2,427	53.2%	5
DG9: 0.30-0.40%	4,952	399	5,429	2,918	0.3%	38.6%	2,843	57.4%	7
DG10: 0.40-0.50%	4,858	727	4,906	2,622	0.5%	40.5%	3,196	65.8%	9
DG11: 0.50-0.60%	4,712	272	4,866	3,609	0.5%	39.7%	3,306	70.2%	10
DG12: 0.60-1.20%	12,004	606	12,103	6,704	0.9%	37.0%	8,813	73.4%	40
DG13: 1.20-1.55%	3,914	166	3,837	2,928	1.4%	36.6%	3,183	81.3%	20
DG14: 1.55-2.15%	4,300	267	3,931	2,486	1.8%	32.7%	3,489	81.2%	26
DG15: 2.15-3.05%	4,530	339	5,192	2,599	2.6%	34.9%	4,380	96.7%	44
DG16: 3.05-4.45%	5,412	223	3,863	2,947	3.6%	24.4%	4,516	83.4%	53
DG17: 4.45-6.35%	2,471	130	2,871	832	5.3%	34.4%	2,757	111.6%	45
DG18: 6.35-8.65%	1,009	23	902	648	7.5%	32.2%	1,106	109.6%	23
DG19: 8.65-11.35%	391	61	370	122	10.1%	34.9%	509	130.1%	13
DG20: 11.35-18.65%	838	35	661	446	14.6%	26.4%	1,000	119.3%	33
DG21: 18.65-100%	548	9	573	302	32.4%	35.7%	1,026	187.3%	60
In default	1,691	48	1,569	404	100.0%	31.9%	3,185	188.4%	298
Total	185,080	45,006	190,605	126,669	1.6%	39.3%	78,162	42.2%	729

The exposure weighted average risk weight associated with advanced IRB exposures to corporates increased from 42.2% to 43.3%. This is primarily driven by counterparties moving to higher default grades following external rating agency downgrades.

Credit quality analysis of IRB exposures

Table 11: Corporate exposures subject to the slotting approach

Slotting, also known as specialised lending, is an approach that is applied to financing of individual projects where the repayment is highly dependent on the performance of the underlying pool or collateral. It uses a standard set of rules for the calculation of RWAs, based upon an assessment of factors such as the financial strength of the counterparty. The requirements for the application of the Slotting approach are detailed in CRR article 153.

Obligor grade	Remaining maturity <2.5 years		Remaining maturity >2.5 years	
	EAD	Risk weighted	EAD	Risk weighted
	post-CRM £m	assets £m	post-CRM £m	assets £m
As at 30.06.16				
Strong	2,498	1,249	5,330	3,731
Good	1,804	1,263	1,388	1,249
Satisfactory	311	357	432	497
Weak	54	134	66	164
Default ¹	263	-	71	-
Total	4,930	3,003	7,287	5,641
As at 31.12.15				
Strong	2,231	1,114	5,220	3,654
Good	1,707	1,195	1,710	1,541
Satisfactory	320	368	487	560
Weak	125	311	73	184
Default ¹	396	-	89	-
Total	4,779	2,988	7,579	5,939

¹ Exposures in default do not generate risk weighted assets as they are already reflected in deductions to capital resources.

RWAs subject to the slotting approach remained broadly stable at £8.6bn.

Credit quality analysis of IRB exposures

Table 12: IRB retail obligor grade disclosure for SME

Obligor grade disclosure for advanced IRB								
	Exposure value £m	Average exposure value £m	Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
As at 30.06.2016								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	1,075	1,025	238	0.0%	26.3%	125	11.6%	2
DG4: 0.05-0.10%	327	314	36	0.1%	22.8%	44	13.4%	1
DG5: 0.10-0.15%	251	249	59	0.1%	32.7%	43	17.1%	1
DG6: 0.15-0.20%	272	250	86	0.2%	36.6%	54	19.9%	1
DG7: 0.20-0.25%	215	205	60	0.2%	36.8%	48	22.5%	1
DG8: 0.25-0.30%	165	173	45	0.3%	36.1%	39	23.5%	-
DG9: 0.30-0.40%	372	360	109	0.3%	38.4%	96	25.9%	1
DG10: 0.40-0.50%	327	305	89	0.4%	36.1%	84	25.8%	1
DG11: 0.50-0.60%	255	259	71	0.5%	39.4%	87	34.1%	1
DG12: 0.60-1.20%	1,157	1,147	274	0.9%	37.9%	428	36.9%	5
DG13: 1.20-1.55%	613	617	153	1.4%	42.5%	263	42.9%	4
DG14: 1.55-2.15%	562	590	126	1.9%	39.7%	282	50.2%	5
DG15: 2.15-3.05%	794	756	152	2.6%	40.7%	436	54.9%	9
DG16: 3.05-4.45%	632	604	88	3.7%	42.1%	378	59.8%	11
DG17: 4.45-6.35%	388	383	52	5.4%	45.5%	256	66.1%	10
DG18: 6.35-8.65%	206	213	39	7.6%	49.4%	158	76.8%	8
DG19: 8.65-11.35%	121	128	15	10.0%	50.5%	101	83.3%	6
DG20: 11.35-18.65%	182	165	21	14.9%	47.4%	165	90.7%	13
DG21: 18.65-100%	249	239	23	30.3%	41.9%	258	103.6%	32
In default	468	424	12	100.0%	27.4%	588	125.6%	101
Total	8,631	8,406	1,748	8.1%	37.2%	3,933	45.6%	213
As at 31.12.15								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	997	992	231	0.0%	26.9%	118	11.8%	2
DG4: 0.05-0.10%	293	309	36	0.1%	24.6%	42	14.5%	1
DG5: 0.10-0.15%	239	246	58	0.1%	34.2%	43	18.0%	-
DG6: 0.15-0.20%	228	242	74	0.2%	38.0%	48	21.0%	-
DG7: 0.20-0.25%	184	204	56	0.2%	37.3%	42	23.1%	-
DG8: 0.25-0.30%	176	159	50	0.3%	34.4%	42	23.7%	-
DG9: 0.30-0.40%	335	345	100	0.3%	38.9%	90	26.7%	1
DG10: 0.40-0.50%	286	298	81	0.4%	38.4%	80	27.9%	1
DG11: 0.50-0.60%	248	255	72	0.5%	40.0%	85	34.4%	1
DG12: 0.60-1.20%	1,075	1,196	278	0.9%	38.9%	413	38.4%	5
DG13: 1.20-1.55%	583	606	158	1.4%	42.8%	259	44.4%	4
DG14: 1.55-2.15%	575	619	120	1.9%	39.1%	290	50.5%	5
DG15: 2.15-3.05%	710	750	142	2.6%	40.3%	393	55.4%	8
DG16: 3.05-4.45%	559	637	83	3.7%	42.6%	344	61.6%	9
DG17: 4.45-6.35%	339	408	50	5.4%	45.4%	230	67.9%	9
DG18: 6.35-8.65%	199	224	36	7.5%	47.0%	147	73.8%	7
DG19: 8.65-11.35%	119	137	15	10.0%	49.4%	99	82.9%	6
DG20: 11.35-18.65%	146	150	16	14.9%	48.4%	135	92.4%	11
DG21: 18.65-100%	240	230	23	30.3%	41.0%	241	100.6%	30
In default	366	425	9	100.0%	25.0%	468	128.0%	81
Total	7,897	8,432	1,688	7.3%	37.5%	3,609	45.7%	181

The exposure weighted average risk weight associated with retail SME exposures remained broadly stable at 45.6%

Credit quality analysis of IRB exposures

Table 13: IRB retail obligor grade disclosure for secured retail

The impact of the post model adjustments are reflected in the RWAs reported in this table, and not in the PDs, which, to be consistent, would be higher, particularly in lower quality default grades.

Obligor grade disclosure for advanced IRB

	Exposure value £m	Average exposure value £m	Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
As at 30.06.2016								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	971	1,420	1	0.0%	10.0%	8	0.9%	-
DG4: 0.05-0.10%	2,525	2,848	-	0.1%	20.4%	251	9.9%	1
DG5: 0.10-0.15%	6,549	7,705	86	0.1%	22.7%	1,036	15.8%	3
DG6: 0.15-0.20%	2,705	2,794	463	0.2%	18.6%	442	16.4%	1
DG7: 0.20-0.25%	1,705	2,146	599	0.2%	13.1%	146	8.6%	1
DG8: 0.25-0.30%	1,645	1,807	678	0.3%	14.4%	175	10.7%	1
DG9: 0.30-0.40%	12,602	12,253	1,823	0.4%	9.0%	612	4.9%	4
DG10: 0.40-0.50%	20,150	20,494	1,785	0.4%	10.2%	1,306	6.5%	9
DG11: 0.50-0.60%	14,344	15,479	1,459	0.5%	10.3%	1,111	7.7%	8
DG12: 0.60-1.20%	60,742	60,471	4,118	0.8%	11.2%	6,714	11.1%	55
DG13: 1.20-1.55%	10,624	9,314	449	1.4%	14.9%	2,197	20.7%	21
DG14: 1.55-2.15%	7,639	6,700	301	1.9%	13.7%	1,812	23.7%	19
DG15: 2.15-3.05%	6,428	5,338	219	2.6%	15.3%	2,071	32.2%	25
DG16: 3.05-4.45%	2,387	2,223	265	3.7%	12.8%	943	39.5%	11
DG17: 4.45-6.35%	1,696	1,997	70	5.0%	18.1%	907	53.5%	14
DG18: 6.35-8.65%	431	578	44	7.3%	15.0%	228	52.8%	4
DG19: 8.65-11.35%	275	285	30	9.8%	15.5%	197	71.3%	4
DG20: 11.35-18.65%	400	373	29	14.5%	14.2%	328	82.0%	8
DG21: 18.65-100%	1,079	1,053	24	44.6%	13.5%	899	83.4%	71
In default	2,326	2,160	6	100.0%	20.7%	2,018	86.8%	338
Total	157,223	157,438	12,449	2.7%	12.4%	23,401	14.9%	598
As at 31.12.15								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	1,797	1,977	727	0.0%	10.2%	20	1.1%	-
DG4: 0.05-0.10%	3,082	3,333	86	0.1%	18.7%	259	8.4%	1
DG5: 0.10-0.15%	8,226	8,676	203	0.1%	21.9%	1,110	13.5%	3
DG6: 0.15-0.20%	2,613	3,034	327	0.2%	20.9%	461	17.7%	1
DG7: 0.20-0.25%	2,510	2,360	591	0.2%	14.6%	227	9.1%	1
DG8: 0.25-0.30%	1,971	2,136	602	0.3%	16.0%	223	11.3%	1
DG9: 0.30-0.40%	12,002	11,861	1,481	0.4%	9.3%	723	6.0%	4
DG10: 0.40-0.50%	19,434	21,189	1,493	0.5%	10.4%	1,552	8.0%	9
DG11: 0.50-0.60%	15,214	18,755	902	0.6%	10.3%	1,426	9.4%	9
DG12: 0.60-1.20%	60,944	57,871	3,216	0.8%	11.5%	8,113	13.3%	55
DG13: 1.20-1.55%	8,789	7,909	310	1.3%	14.6%	2,082	23.7%	17
DG14: 1.55-2.15%	6,233	5,764	215	1.9%	15.7%	1,949	31.3%	18
DG15: 2.15-3.05%	4,642	4,742	247	2.6%	16.4%	2,350	50.6%	32
DG16: 3.05-4.45%	1,955	1,963	116	3.7%	14.6%	842	43.1%	10
DG17: 4.45-6.35%	2,248	2,180	122	5.0%	18.4%	1,429	63.6%	20
DG18: 6.35-8.65%	707	732	41	7.6%	14.0%	423	59.9%	7
DG19: 8.65-11.35%	296	298	18	9.9%	13.7%	213	71.9%	4
DG20: 11.35-18.65%	351	352	19	14.5%	15.2%	329	94.0%	8
DG21: 18.65-100%	1,025	1,076	24	44.1%	15.0%	1,010	98.5%	73
In default	1,938	2,326	3	100.0%	21.4%	2,282	117.7%	322
Total	155,977	158,534	10,743	2.4%	12.8%	27,023	17.3%	595

The exposure weighted average risk weight associated with retail mortgages decreased from 17.3% to 14.9%. This was primarily driven by credit risk model changes following approval from the PRA and the sale of the Portugal business.

Credit quality analysis of IRB exposures

Table 14: IRB retail obligor grade disclosure for revolving retail

Obligor grade disclosure for advanced IRB

	Exposure value £m	Average exposure value £m	Undrawn commitments £m	Average probability of default (PD) %	Exposure weighted average LGD %	Risk weighted exposure amount £m	Exposure weighted average risk weight %	Expected loss £m
As at 30.06.2016								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	6,574	6,626	8,129	0.0%	79.6%	137	2.1%	2
DG4: 0.05-0.10%	3,942	3,884	7,670	0.1%	78.3%	156	4.0%	2
DG5: 0.10-0.15%	2,911	2,966	5,857	0.1%	78.1%	183	6.3%	3
DG6: 0.15-0.20%	1,947	1,976	4,039	0.2%	77.0%	154	7.9%	3
DG7: 0.20-0.25%	1,498	1,432	3,007	0.2%	76.7%	146	9.7%	3
DG8: 0.25-0.30%	1,291	1,234	2,543	0.3%	76.3%	147	11.4%	3
DG9: 0.30-0.40%	1,991	1,918	3,641	0.3%	76.2%	275	13.8%	6
DG10: 0.40-0.50%	1,543	1,470	2,557	0.4%	76.3%	263	17.0%	6
DG11: 0.50-0.60%	1,332	1,260	2,041	0.5%	76.0%	271	20.4%	6
DG12: 0.60-1.20%	5,442	5,257	6,647	0.9%	76.4%	1,618	29.7%	42
DG13: 1.20-1.55%	2,107	2,016	1,868	1.4%	77.1%	888	42.1%	26
DG14: 1.55-2.15%	2,554	2,422	1,987	1.8%	76.4%	1,311	51.3%	41
DG15: 2.15-3.05%	2,412	2,302	1,425	2.6%	75.5%	1,531	63.5%	51
DG16: 3.05-4.45%	3,422	3,275	1,980	3.8%	71.5%	2,665	77.9%	97
DG17: 4.45-6.35%	1,789	1,735	521	5.3%	74.0%	1,804	100.9%	73
DG18: 6.35-8.65%	1,256	1,201	248	7.4%	73.8%	1,551	123.5%	71
DG19: 8.65-11.35%	733	689	118	9.9%	73.3%	1,070	145.9%	55
DG20: 11.35-18.65%	781	737	102	14.3%	72.7%	1,371	175.6%	84
DG21: 18.65-100%	720	686	69	38.1%	73.0%	1,518	210.8%	214
In default	1,830	1,775	488	100.0%	75.4%	3,007	164.3%	1,174
Total	46,075	44,861	54,937	6.1%	76.4%	20,066	43.6%	1,962
As at 31.12.15								
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	6,600	6,563	8,290	0.0%	80.5%	139	2.1%	2
DG4: 0.05-0.10%	3,841	3,854	7,503	0.1%	79.0%	153	4.0%	2
DG5: 0.10-0.15%	2,948	2,973	5,813	0.1%	78.0%	182	6.2%	3
DG6: 0.15-0.20%	1,977	1,964	4,004	0.2%	77.6%	157	8.0%	3
DG7: 0.20-0.25%	1,410	1,373	2,820	0.2%	77.9%	139	9.9%	2
DG8: 0.25-0.30%	1,220	1,196	2,417	0.3%	77.6%	141	11.6%	3
DG9: 0.30-0.40%	1,885	1,861	3,415	0.3%	77.6%	266	14.1%	5
DG10: 0.40-0.50%	1,460	1,400	2,403	0.4%	77.5%	252	17.2%	5
DG11: 0.50-0.60%	1,231	1,209	1,899	0.5%	77.5%	250	20.3%	6
DG12: 0.60-1.20%	5,178	5,067	6,271	0.9%	77.7%	1,523	29.4%	39
DG13: 1.20-1.55%	1,967	1,901	1,708	1.4%	78.2%	855	43.5%	27
DG14: 1.55-2.15%	2,386	2,308	1,822	1.8%	77.8%	1,241	52.0%	38
DG15: 2.15-3.05%	2,234	2,232	1,299	2.6%	77.0%	1,440	64.4%	47
DG16: 3.05-4.45%	3,133	3,361	1,776	3.7%	75.8%	2,550	81.4%	92
DG17: 4.45-6.35%	1,671	1,698	476	5.3%	75.6%	1,719	102.9%	70
DG18: 6.35-8.65%	1,143	1,229	220	7.4%	75.3%	1,440	126.0%	66
DG19: 8.65-11.35%	660	676	98	9.9%	75.1%	987	149.5%	51
DG20: 11.35-18.65%	690	765	85	14.3%	74.9%	1,245	180.5%	76
DG21: 18.65-100%	651	678	60	37.6%	75.5%	1,417	217.7%	196
In default	1,718	1,890	497	100.0%	75.0%	2,670	155.4%	1,108
Total	44,003	44,198	52,876	6.0%	77.7%	18,766	42.6%	1,841

The exposure weighted average risk weight associated with qualifying revolving retail exposures, mainly comprising credit cards and overdrafts, remained broadly stable at 43.6%.

Credit quality analysis of IRB exposures

Table 15: IRB retail obligor grade disclosure for other retail exposures

Obligor grade disclosure for advanced IRB									
	Exposure value	Average exposure value	Undrawn commitments	Average probability of default (PD)	Exposure weighted average LGD	Risk weighted exposure amount	Exposure weighted average risk weight	Expected loss	
	£m	£m	£m	%	%	£m	%	£m	
As at 30.06.2016									
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	19	38	6	0.0%	66.0%	1	7.7%	-	-
DG4: 0.05-0.10%	1	18	-	0.1%	51.3%	-	11.1%	-	-
DG5: 0.10-0.15%	9	41	-	0.1%	63.5%	2	20.2%	-	-
DG6: 0.15-0.20%	15	10	2	0.2%	69.7%	4	28.6%	-	-
DG7: 0.20-0.25%	21	9	2	0.2%	77.7%	8	36.8%	-	-
DG8: 0.25-0.30%	209	65	50	0.3%	31.0%	35	16.7%	-	-
DG9: 0.30-0.40%	135	114	3	0.4%	87.7%	75	55.8%	1	-
DG10: 0.40-0.50%	229	175	1	0.5%	84.6%	142	62.2%	2	-
DG11: 0.50-0.60%	282	161	1	0.6%	86.8%	201	71.3%	3	-
DG12: 0.60-1.20%	1,978	1,385	1	0.9%	82.4%	1,689	85.4%	25	-
DG13: 1.20-1.55%	800	789	4	1.4%	81.4%	810	101.3%	14	-
DG14: 1.55-2.15%	1,166	1,328	1	1.8%	77.4%	1,225	105.1%	23	-
DG15: 2.15-3.05%	1,093	1,428	1	2.6%	70.9%	1,137	104.0%	26	-
DG16: 3.05-4.45%	1,159	1,221	17	3.8%	57.3%	1,025	88.5%	30	-
DG17: 4.45-6.35%	862	736	7	5.4%	50.5%	707	82.0%	26	-
DG18: 6.35-8.65%	352	348	-	7.3%	58.3%	342	97.0%	16	-
DG19: 8.65-11.35%	191	146	-	9.6%	58.3%	198	103.8%	11	-
DG20: 11.35-18.65%	345	289	-	15.6%	55.1%	401	116.2%	30	-
DG21: 18.65-100%	407	296	-	38.3%	59.9%	588	144.6%	105	-
In default	643	588	-	100.0%	67.0%	697	108.4%	365	-
Total	9,916	9,185	96	10.8%	69.7%	9,287	93.7%	677	
As at 31.12.15									
DG1: 0.00-0.02%	-	-	-	-	-	-	-	-	-
DG2: 0.02-0.03%	-	-	-	-	-	-	-	-	-
DG3: 0.03-0.05%	69	53	1	0.0%	55.5%	4	6.5%	-	-
DG4: 0.05-0.10%	33	39	-	0.1%	38.3%	3	9.4%	-	-
DG5: 0.10-0.15%	72	78	-	0.1%	54.0%	12	16.0%	-	-
DG6: 0.15-0.20%	7	9	-	0.2%	75.3%	2	29.4%	-	-
DG7: 0.20-0.25%	3	4	-	0.2%	82.4%	1	38.2%	-	-
DG8: 0.25-0.30%	18	20	-	0.3%	73.5%	7	39.2%	-	-
DG9: 0.30-0.40%	66	70	-	0.3%	78.3%	31	46.7%	-	-
DG10: 0.40-0.50%	193	214	-	0.5%	50.1%	71	36.5%	-	-
DG11: 0.50-0.60%	140	148	-	0.5%	73.0%	82	58.4%	1	-
DG12: 0.60-1.20%	1,193	1,213	13	1.0%	79.0%	984	82.6%	9	-
DG13: 1.20-1.55%	798	815	1	1.4%	79.7%	776	97.2%	9	-
DG14: 1.55-2.15%	1,413	1,408	-	1.8%	74.4%	1,402	99.2%	19	-
DG15: 2.15-3.05%	1,549	1,546	16	2.5%	73.1%	1,591	102.7%	33	-
DG16: 3.05-4.45%	1,108	1,155	6	3.7%	78.5%	1,395	125.8%	41	-
DG17: 4.45-6.35%	504	599	-	5.2%	76.7%	607	120.5%	20	-
DG18: 6.35-8.65%	347	420	-	7.8%	57.8%	332	95.9%	15	-
DG19: 8.65-11.35%	109	120	-	9.6%	61.6%	118	108.5%	6	-
DG20: 11.35-18.65%	237	277	-	15.3%	60.3%	301	126.9%	22	-
DG21: 18.65-100%	198	223	-	45.9%	70.3%	311	157.2%	70	-
In default	539	552	-	100.0%	77.3%	628	116.4%	379	-
Total	8,596	8,963	37	10.0%	73.8%	8,658	100.7%	624	

The average risk weight associated with other retail exposures, primarily comprised of unsecured personal loans, decreased from 100.7% to 93.7%. This is primarily driven by the implementation of new models approved by the regulator.